



Congress of the United States
House of Representatives
Washington, D.C. 20515

COMMITTEE ON
NATURAL RESOURCES
CHAIRMAN EMERITUS

COMMITTEE ON
TRANSPORTATION & INFRASTRUCTURE

REPUBLICAN
POLICY COMMITTEE

CANADA-U.S.
INTER-PARLIAMENTARY GROUP

February 4, 2020

Jeffrey Zients
Counselor to the President
COVID-19 Response
The White House
Washington, DC 20500

Dear Mr. Zients:

First, thank you for your commitment to your new role in the service of our nation. I wish you and your team well as the Administration and Congress work together to address the impacts of the COVID-19 pandemic and assist this great nation in its recovery. Alaska has endured great hardship during this time. However, Alaskans are resilient, and our frontline medical workers have responded heroically. Those workers have made our state a leader in the vaccination effort. As the Congressman for All Alaska, it is my duty to help mitigate both the pandemic's health impacts and the disastrous economic consequences it has inflicted on my state.

Managing the pandemic requires tough choices, which I have experienced firsthand, but we must not allow the pandemic and resulting federal regulations to deny people of their fundamental right to earn a living when there are safe ways for them to continue to work. Currently, cruise operators, and Alaskan industry stakeholders are working to address and implement requirements set under the Centers for Disease Control's (CDC) Conditional Sail Order and are awaiting additional technical guidance with which they intend to fully comply. In addition, Canada announced their ports will remain closed to large cruise vessel traffic until February 28, 2022. The uncertain timeframe for the issuance of further CDC technical guidance, and the continued closure of Canadian ports jeopardize the 2021 Alaskan cruise season.

As a result, I request the Administration's support and coordination with federal, state, and international bodies, including the CDC, to engage with cruise line operators and the Canadian Government to prioritize the resumption of large cruise ship operations that are vital to the livelihood of the thousands of Alaskans employed by the industry as well as the economic health of the state.

Prior to the pandemic, Alaska had become a success story by growing a robust tourism economy that supports 1 in 10 Alaskan jobs. Small communities across Alaska enjoy a strong seasonal tourist and visitor industry, and this activity supports small businesses, local governments, and Alaska Native entities. Yearly visitors have grown from 1.5 million in 2010 to 2.2 million in 2019 and that number was expected to climb in 2020 and 2021. Alaska's tourism season peak occurs during the summer cruise season, when 60% of Alaska's yearly visitors arrive by large cruise ship on itineraries that transit from Washington State, Oregon, or California to Alaska, by way of Canada between May and September.

The large cruise ship trade drives a significant amount of economic activity across a myriad of Alaskan and Alaska Native businesses and extends well beyond Southeast Alaska into the state's interior. In 2016, 51% of visitors to Denali National Park and 41% of visitors to Fairbanks arrived in the state via large cruise ships. Overall, the visitor industry supports approximately 53,000 jobs and \$1.5 billion in income for Alaska. As the industry and Alaska prepares to comply with the CDC's order, the industry has already announced 11 full cancellations and 11 partial cancellations during prime booking season affecting 350,000 potential passengers amounting to approximately \$220 million in lost economic activity to Alaskans.

This news along with Canada's announcement has created anxiety in the state that the 2021 cruise season may be lost entirely. Due to the Alaska's extreme seasonal weather, the window for the summer cruise season is relatively short and cannot be delayed into the fall or winter. Operators and associated businesses require months of lead time and preparation to successfully execute summer itineraries. Further delaying attention to and consideration of large cruise vessel travel resumption would mean the state would miss two consecutive summer cruise seasons causing businesses and, in some cases, forego meaningful revenue for nearly 36 months. While I supported the CARES Act and the Consolidated Appropriations Act of 2021, which created and funded essential federal programs totaling over \$3 trillion to mitigate the impacts of the COVID-19 pandemic, it is my view that no federal government program can or should sustain businesses for nearly three years.

When considering the impacts of a second consecutive lost cruise season, the Native Village of Hoonah, Alaska, and the Huna Totem Corporation (HTC) are an example of the mutually beneficial relationship between the cruise industry and the Alaskan communities. The Native Village of Hoonah is home to roughly 760 residents, and it is located at the entrance of the Glacier Bay National Park and Preserve. The HTC, located near Hoonah, is a village corporation organized under the Alaska Native Claims Settlement Act with approximately 1,450 Alaska Native shareholders with ties to Hoonah and the Glacier Bay area. Hoonah is not connected by a road system, runs largely on diesel power, and has limited economic opportunity. HTC's wholly owned subsidiary, Icy Strait Point (ISP), operates a private port that is a premier cruise ship destination. Eighty percent of Hoonah's local tax base comes from cruise ship tourism and the HTC employs 230 people in season with nearly 80% being local and Alaska Native hires.

For the 2020 season, Hoonah had anticipated 220 ship calls, roughly 450,000 passengers and \$3.6 million in fees and taxes to the village. Across Alaska there are dozens of other communities and Alaskan Native entities that are similarly situated to Hoonah. In keeping with the Biden Administration's laudable commitment to prioritizing indigenous and historically disadvantaged communities, it is imperative that federal government inaction not compound the pandemic's impacts and that the federal government dedicate time and attention to working with the industry to safely resume operations.

I fervently believe that the opportunity for gainful employment for my fellow Alaskans is inextricably linked to their physical and economic health. In Alaska, often more so than other states, joblessness leads to other adverse health impacts including domestic violence, substance abuse and suicide. When weighing the continuation of public health regulations that will create widespread job loss in my state, these public health impacts must also be considered. At the onset of the pandemic, cruise ships were uniquely identified as a venue for the spread of COVID-19 and operations were halted. Since then, the industry has undertaken extensive planning and protocol development through efforts including the *Healthy Sail Panel* and *US Return to Sail Plan* which among other requirements include robust testing protocols for passengers and crew.

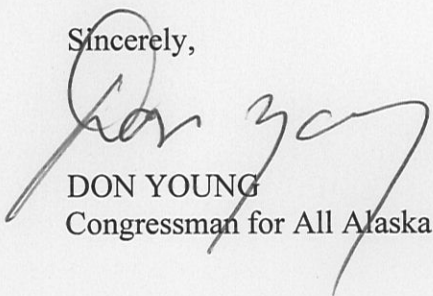
It is important to point out that cruise ships are not uniquely a source of COVID-19 spread. Throughout the pandemic other modes of transportation including planes, trains and buses have been allowed to operate without federal shutdown orders. Similarly, across the country other hospitality sectors including hotels, casinos and resorts have not been forced to close or shutdown. If safe ways can be found to continue to operate, planes, trains, buses, hotels, and casinos, then let's work together to find safe ways operate cruise ships.

Since the beginning of last summer, nearly 10,000 jobs have been lost and many small tourism related businesses were unable to open their doors. According to a survey conducted by the Alaska Travel Industry Association, more than 85% of tourism businesses reported losing greater than 50% of their revenue by July of last year. Undoubtedly, with the loss of the 2021 cruise season, the impacts will be even more devastating.

For the Alaskan market, Canada's port closure extension renders U.S. actions to permit cruising moot due to the requirements of the Passenger Vessel Services Act (PVSA). With Canadian ports closed, it is not possible for non-coastwise-qualified passenger vessels, of which the large cruising fleet is primarily comprised of, to offer cruising itineraries for Alaska that comply with the requirements of the PVSA. Specifically, the unavailability of Canadian ports would prevent access by non-coastwise-qualified vessels to a "nearby foreign port," which allows such vessels to provide PVSA-complaint cruise itineraries to Alaska. As a result, I request the Biden Administration's support in any conversations with the Canadian government to encourage them to work with us to come up with a solution that will allow for a 2021 Alaska cruise season.

I sincerely appreciate your consideration of my requests and the issues that I have raised in this letter. Alaska is special because it is so unique, and I consider it an honor to educate my fellow elected representatives and Presidential Administrations about the challenges and great opportunities available in Alaska. Throughout my career in Congress, I have worked earnestly and productively with the past ten Administrations for the benefit of the people of Alaska and this great nation, and I look forward to working with the Biden Administration to promote Alaska's wellbeing.

Sincerely,



DON YOUNG
Congressman for All Alaska

cc: Doctor Rochelle P. Walensky, Director, Centers for Disease Control